

**ANNUITIES & EMPLOYE DEATH BENEFITS**

**Estate of:**

Page \_\_\_\_\_ of \_\_\_\_\_  
of Schedule

**I**

	Yes	No
1 a. Was the decedent, immediately before death, receiving any annuity?		
b. If "yes", did annuity cease at death?		
c. If a. is "yes", was that annuity paid pursuant to a federally qualified plan?		
2. If the decedent was employed at the time of death, did an annuity or other payment become payable to any beneficiary by reason of the beneficiary's having survived the decedent?		
3 a. Did a benefit under an individual retirement account become payable to any beneficiary?		
b. If "yes", is an annuity payable to the beneficiary for life or for at least 36 months following decedent's death?		
4 a. Is the beneficiary electing to waive favorable federal income tax treatment of a lump-sum distribution from a federally qualified plan?		
b. If "yes", attach a copy of the written election made by each beneficiary. Include the name, social security number and address of each electing beneficiary.		

Item No.	Description - See instructions	Value at Date of Death	
1.	<b>Section a. - Annuities &amp; Employee Death Benefits Payable to the Estate</b>	Spousal Rights	Payable to Estate
		\$	\$

**TOTAL** - Enter at Item No. 1 of Schedule F ..... \$

1.	<b>Section b. - Annuities &amp; Employee Death Benefits Payable to Named Beneficiaries</b>	Spousal Rights	Payable to Beneficiary
		\$	\$

**TOTAL** - Enter on line 21 of page 2, Form 101 ..... \$

## INSTRUCTIONS FOR SCHEDULE I - ANNUITIES & EMPLOYE DEATH BENEFITS

Report on Schedule I all benefits payable on account of the decedent's death whether or not included in the taxable estate. For any amount not included for inheritance tax purposes, explain the basis for the exclusion. Report in section a. any benefit payable to the estate. Use section b. to report any benefit payable to named beneficiaries.

Include the following information:

- Type of plan
- Name of plan
- Name of employer
- Name of beneficiary
- Date(s) and amount of payment(s)
- Value at date of death

If spousal rights are established, report the value of the spouse's right in the "Spousal Rights" column. See the instructions to Schedule MP - MARITAL PROPERTY DECLARATION for additional information on reporting marital property interests. Use the "Payable to Estate and "Payable to Beneficiary" columns if spousal rights are not established.

**NONQUALIFIED PLANS:** The date of death value of all federally nonqualified plans is subject to Wisconsin inheritance tax.

### FEDERALLY QUALIFIED PLANS:

**Annuities** - Taxable to the extent of employee's contribution at date of death value.

**Lump-sum** - If the beneficiary elects to claim favorable federal income tax treatment (either capital gain deduction or 10-year averaging), the entire lump-sum payment is

taxable. If the beneficiary irrevocably waives the favorable federal income tax treatment, the death benefit is taxable to the extent of the employee's contribution.

**Individual retirement accounts (IRA's)** - Exempt if payable to beneficiary for life or at least 36 approximately equal monthly payments.

**HR10's & Keogh Plans** - Exempt even if payment is made in one calendar year provided that the recipient irrevocably elects not to claim favorable federal income tax treatment (either capital gain deduction or 10-year averaging ).

If any of the above qualified plans are payable to the estate, they are fully taxable for inheritance tax purposes.

For deaths on or after August 1, 1983 and before January 1, 1985, the maximum exclusion for all proceeds is \$100,000, even if the proceeds were properly excludable under another section of the law.

**For deaths on or after January 1, 1985**, all benefits are includable for inheritance tax purposes. The only exception for qualified plans occurs if two conditions are both met: 1) the decedent was both a participant in the plan and in pay status on December 31, 1984 and 2) the decedent irrevocably elected the form of benefit before July 18, 1984. If this exception is met, submit a complete copy of the benefit election and proof of its irrevocability.

**EXEMPT PLANS:** Benefits from any employee retirement program of the United States, state of Wisconsin or Wisconsin municipality, whether payable to a decedent's estate or a beneficiary are exempt for inheritance tax purposes.